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MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Definitive Contract No. EM-95 with
Eastman Kodak Company, Rochester, New York
Project [redacted]

1. This memorandum contains a recommendation submitted for approval of the Director of Central Intelligence. Such recommendation is set forth in Paragraph 4.

2. Definitive Contract No. EM-95 replaces Letter Contract No. EM-95 and Amendments Nos. 1, 2, and 3 thereto, approved by the Director of Central Intelligence and/or the Project Director under the respective dates of 21 June 1955, 27 June 1955, and 16 September 1955. Amendment No. 3 extended performance time only and, therefore, approval was not requested. The Letter Contract obligated \$100,000.00 of Fiscal Year 1955 funds and Amendment No. 2 thereto obligated \$30,000.00 of Fiscal Year 1956 funds, chargeable to Appropriation 21X6889. Amendments Nos. 1 and 3 do not obligate additional funds. As the engineering studies and design work have progressed since the execution of Letter Contract No. EM-95, more realistic estimates of equipment requirements and contract costs have developed. Accordingly the Schedule of the Definitive Contract sets forth a revised estimated contract price of \$150,000.00, leaving a balance of \$20,000.00 to be obligated out of Fiscal Year 1956 funds, chargeable to Appropriation 11X2150.

3. The Definitive Contract is a cost-plus-a-fixed-fee type and provides for performance of work to 30 June 1956. The scope of the work covers engineering and technical services to study requirements of the Government for specialized film processing and data recording operations and preparing engineering designs for such equipment and its installation. The estimated cost of the contract work is \$140,187.00 plus a fixed-fee of \$9,813.00, which is 7% of the estimated cost exclusive of fixed-fee. Subsequent contractual arrangements may be negotiated with the Contractor for additional engineering and technical service necessary to determine the complete equipment requirements for film processing under the project.

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